## BORDER SECURITY CONFERENCE EL PASO, TEXAS

## INTRODUCTION: REPRESENTATIVE SILVESTRE REYES (D-TX)

## SPEAKER: LIEUTENANT GENERAL RONALD L. BURGESS, JR.

## **TUESDAY, AUGUST 15, 2006**

REPRESENTATIVE SILVESTRE REYES (D-TX): This morning I'd like to start the discussion with our first – or our keynote speaker to kick off the conference. And I can tell you this was to be an opportunity to hear from Ambassador John Negroponte, the director of National Intelligence. Those of you that will watch the news today unfold will see that he is at a White House meeting with the president where he has called in his top advisers to talk about the current security situation. This was done on a very last-minute basis, but we are fortunate that Ambassador John Negroponte tapped Lieutenant General Ronald Burgess who is currently the acting principal deputy director of National Intelligence to better help us understand the role of intelligence and how it plays in securing our nation's borders. President Bush called upon Ambassador Negroponte, as I mentioned, to be at that briefing this morning, but as always, we have great people that can step in and brief us on the importance of intelligence and border security.

General Burgess began his military careers after being commissioned in military intelligence through Auburn University and its ROTC program. General Burgess went on to earn a Master of Science degree in education from the University of Southern California and a Master of Military Arts and Science from the U.S. Army Command and General Staff College. Before being designated by President Bush as the acting principal deputy director of national intelligence in June of this year, which incidentally he took over the duties of our last year's keynote luncheon speaker, General Michael Hayden who now has moved on and is head of the Central Intelligence Agency. General Burgess, prior to this assignment, served as the deputy director of national intelligence for customer outcomes or commonly referred to as J-2 of the Joint Staff and the director of intelligence, J-2 for the United States Southern Command in Miami, Florida. His military background while being very impressive, and his dedication to helping secure this nation's national security, we're all fortunate to have him there in that position and we're fortunate that he's willing to step in at such a critical time to do such an important job.

Before I ask him to come up, I want to alert you that in your packets in the very back, there are cards where as you hear him speak and make his presentation, if you have a question, please write it down and members of the staff will coming tooting down the aisle and gather those questions, because General Burgess has very graciously agreed to

take some questions, depending on the availability of time, and for that we have our taskmaster Louie Saenz who will be keeping track of that. So you will have that opportunity to ask General Burgess questions. So with that, let me ask all of you to help me welcome a great American, one of the great leaders of this country at a critical time in leading the discussion on border security, General Ronald Burgess.

(Applause.)

LIEUTENANT GENERAL RONALD L. BURGESS, JR.: Well, sir, once again, you outdo yourself here. As the Congressman mentioned, Director Negroponte really wanted to be here today, but let's see, the president wants you in Washington, so where are you going to go? He decided he wanted to stay there and he said Ron, would you like to El Paso? Well, having visited here before and had the opportunity to partake in what I call West Texas hospitality, I jumped at the opportunity to be here. So thank you very much for having me.

And the fact that Congressman Reyes sits as a member, as was noted, of the Select Committee on Intelligence on the House side, you have asked too some of the points that I will make today if I have had the opportunity to sit in front of him and the other members of the committee and have these discussions over time as we look at some of the challenges we face. We have noted – I have noted particularly – on Congressman Reyes' part that he is very insightful, he is always a gentleman, he is always looking to get the ground truth, and he is very passionate about going after the subject matter that we happen to be talking about. The fact that he is also a member, as was noted, of the Armed Services Committee and the Veterans Affair Committee, and will be having input on my salary and pension for years to come has absolutely nothing to do with those comments.

Distinguished Representatives and members of the diplomatic corps, Dr. Natalicio, and other honored guests that are present today: It really is a pleasure to be with you here today. I know that Director Negroponte counts many of you as friends, going back to his time in Latin America, and also as the former ambassador to Mexico. And of course I see many familiar faces here who I have had the opportunity to actually visit with from my days in Latin American and also at U.S. Southern Command. Together we share an appreciation for the rich cultural variety and natural beauty of these borderlands, and high hopes and ambitions of both America and Mexico to make our border community better, stronger and healthier.

But we also know there are competing visions for this region. Some see the border as a region that they can exploit, making it a scene for crime instead of a stage for cooperation. No one here is under any illusion, I am sure, about the dangers that some of these activities on the border represent. They constitute a serious threat to our national interests and to our well being. Many of these challenges are tied to illicit narcotics trafficking and the profit that it generates, but that of course may be just the tip of the iceberg.

In 2005, upwards of 90 percent of the cocaine, the vast majority of heroin, and almost all foreign-produced marijuana and methamphetamines crossed the U.S.-Mexico border on their way to U.S. markets. Prior to 2000, some of the drug organizations that were operating throughout Latin America were not subordinate to the more localized groups. Now Mexican trafficking organizations appear to have greater control over cocaine shipments into the United States. And as a result, they are much richer, and billions of dollars in profits have made them an increasingly difficult target for the intelligence community.

The struggle for control of the major trafficking corridors into the United States has spawned high levels of violence in several cities along the border region, notably Nuevo Laredo, Ciudad Juarez, and Tijuana. The principal victims of this violence have been those involved in the drug trade; but law enforcement officers have also been targets, and innocent bystanders sometimes have been caught in the crossfire.

One of the ways these drug trafficking organizations sustain themselves is by directing the billion dollars in profits that they make to support a broad campaign by drug lords to try to suborn officials and law enforcement personnel on both sides of the border. While the vast majority of these personnel represent the very best values of their respective countries, we must be ever vigilant for those that do not.

Traffickers in undocumented aliens are another problem we face here at the border. The "coyote" organizations that exploit migrants are responsible for the greatest amount of human smuggling. Although we have had no indication that al-Qaeda or its affiliates have used these mostly Mexico-based trafficking networks to funnel terrorists into the United States, organizations that transport special interest undocumented aliens are of particular concern because of potential links to international terrorists. Their smuggling routes could also be used for other, more deadly purposes, including transporting weapons of mass destruction.

The U.S. intelligence and law enforcement communities cannot assess or deal with these challenges at the border in isolation, whether they be organizational or factual in nature. We must ensure that we break the old paradigm of old information sharing or lack thereof immediately. The good now is, I see that reality reflected in what's happening here in El Paso at the El Paso Intelligence Center or EPIC, the Border Patrol filled intelligence center and Joint Task Force North.

If I had to pick a theme for what the Office of the Director of National Intelligence must do, and what would be of most direct help to you, I would use the word "Integrate." The DNI is not an operational organization. We do not do intelligence collection. We do not do intelligence analysis like the DEA, the FBI, the department of Homeland Security, or the CIA. Rather, our job at the ODNI is to ensure that these organizations work together and have the right tools and people to do the job. We want to ensure that the policy and other impediments to these communities working effectively together, towards our national security, are removed.

Congressman Reyes knows what a challenge that is – not just from his service on the HPSC, or the House Permanent Select Committee on Intelligence, but also from his many years of service in the U.S. Border Patrol. And the DNI is grateful not only to him but the others that support and have a continued interest in this vital subject.

In the time that I have left here today, I hope to bring that reform process closer to home – your home. In a sentence, the Office of the Director of National Intelligence is mandated to integrate the foreign, military, and domestic dimensions of U.S. intelligence into a unified enterprise that meets the highest standards of objectivity, accuracy, and timeliness.

Helping to investigate, disrupt, and dismantle drug trafficking organizations is a clear priority for the U.S. Intelligence Community. So, too, is providing the intelligence necessary to interdict drugs and other illicit cargo entering the United States via our Southwest Border.

To do our job effectively requires close coordination between the intelligence and law enforcement communities. We must help each other "fill the spaces between the cases," as we call it, while always protecting civil liberties. We have made good strides toward ensuring collaboration and make sure that is as simple as possible; it's our number one enterprise priority. Our first step, as outlined in the Weapons of Mass Destruction Commission recommendations, was to assist, begin or accelerate needed institutional changes, and we have done some of those:

- A National Security Branch that's been stood up within the FBI, which combines counterintelligence and counterterrorism efforts;
- An invigorated intelligence function has been stood up at the Department of Homeland Security;
- A National Clandestine Service has been stood up at CIA integrating the totality of the human intelligence community and brought with its crosscutting responsibilities to establish standards in human intelligence for collection and also to deconflict operations; and also
- Standing up of the National Centers for Counterproliferation and Counterterrorism.

Notice that I said institutional change was the first step. Institutions don't fix problems; line and block charts don't fix problems; people fix problems. And we're trying to instill in people that we can't just focus on agency goals, like whether or not we have the newest satellite, the newest tool, but whether we as a community are improving our ability to answer tough intelligence questions about intentions, trends and threats.

Forced integration has had its downside as well. The proliferation of new organizations and reorganizations has sometimes caused genuine confusion outside of Washington as to who is in charge. Ambassador Negroponte reminded me that people coming to the border do well if I come to listen and learn, not talk. I can see why. I know that EPIC's Open Connectivity Project is an example of how we can improve the

way we gather, store and share information. We need to replicate these successes on a national level, establishing an information-sharing system that optimizes the intelligence capabilities of federal, state, local, and tribal agencies that have interdiction or investigative responsibilities for the Southwest Border.

In my previous life as the J-2 or director of intelligence for U.S. Southern Command, I would give talks to numerous audiences and we would talk about information sharing. I would tell you that I always use two examples when I talked about how we ought to be doing information sharing within the U.S. government between law enforcement and U.S. intelligence. And the two examples that I would use would be EPIC or the El Paso Intelligence Center because they did it and they did it right, and the other one would be the JIATF South, or the Joint Interagency Taskforce South, down in Key West. Both of them brought the very best of the law enforcement, the open source, and the intelligence community together working toward a common goal, and it is that paradigm that we should look to copy.

Last year, we published the first National Intelligence Strategy. One of the priorities we listed was to improve intelligence support to homeland security and law enforcement. Within ODNI, we've established a senior official responsible for this customer set – retired New York Police Department Police Chief Mike Tiffany who is here with me today. As we were looking at standing up the part of the office that would be responsible for homeland security and law enforcement, Director Negroponte and I understood that with our long time in the federal community, that it was unlikely that we would understand the problem sets that are faced at the state, local, and tribal level, which the Intelligence Reform Act asked us to do. It was at that point in time as I talked to the director that I said it makes absolute sense to me that if I'm truly going to understand this problem set and be able to relate to the customers that we have to deal with, it seems to me that I would bring in someone outside the cabal of the federal system, and I was fortunate enough to be able to convince Mike that it was time to leave New York City and come to Washington, D.C.

But Mike's office has a couple of deputies, which includes representatives out of the department of Homeland Security and the FBI, and they are working to help educate the intelligence community on border security. Mike is your advocate. He needs to hear from you. He also needs to know if are getting the support you need, and how we can best help you do your jobs.

As the lead federal agency for border security, the department of Homeland Security has also been leading the way in intelligence support. Their chief intelligence officer, Charlie Allen, has been reaching out to the rest of the intelligence community to build a mission support plan, which will increase our effectiveness in predicting, detecting, and analyzing threats. We are also strengthening our Border Patrol presence and working to ensure they have the information they need by developing interoperable intelligence and information infrastructures. The key word in that sentence that I just used, which applies across our intelligence community and law enforcement community is interoperable.

Another important step was recognizing the Drug Enforcement Agency, or the DEA, as having a formal role within the intelligence community. Just in the past two months, the DEA intelligence section has been added as the sixteenth member of the intelligence community of the United States government. DEA leadership is now involved in important processes to help shape intelligence community decisions. And we are also improving procedures for the sanitization, the release of classified reporting and sensitive law enforcement intelligence to ensure that information reaches the operational personnel at all levels of the U.S. Government. Also, several law enforcement agencies are creating or expanding reporting programs so that intelligence and law enforcement officers can more effectively sift investigative and intelligence reporting to facilitate wider dissemination.

We are also working to better leverage partners with links outside the intelligence community. As I said before, the cooperation between EPIC, the Border Patrol Field Intelligence Center, and JTF-North is an example of how we need to further integrate efforts towards the common goal of protecting the homeland.

In conclusion, although we face stiff challenges on the border, we are also seeing improvements. Illicit crop eradication programs by the Mexican Government have averaged some 50,000 hectares annually over the past five years, and the United States is working with appropriate Mexican government entities to further strengthen their counter-drug and counterterrorism capabilities. We continue to see increased information sharing across the spectrum. We are also seeing a continued maturation of the intelligence processes, both collection and analysis, by the department of Homeland Security. By working together and by making necessary changes and reforms on an urgent basis, we can make progress and we are making progress. My colleagues and I in the Intelligence Community are especially grateful for what many of you on the border offer us in helping preserve the security and safety of our law-abiding citizens, and we want to better support your efforts.

A good first step is probably to fix the things we unintentionally do in Washington that sometimes make your jobs harder. We're continuing to work on information sharing and dissemination, including tearlines. Of course we all understand that we need to protect sources and methods, but we must also ensure local officials have the information they need to protect their communities. We need to hear from you on what is and isn't working. It's vital that we all stand strong together, on both sides of the border, in defending both of our free ways of life and our democratic ideals that we have. Our citizens expect nothing less from us. So on behalf of the DNI and the members of the intelligence community, I want to thank you for your continued support. And I want to thank you for having a conference like this where we can share ideas. Thank you. (Applause.)

One thing I will put as a caveat: As the congressman said, I get an opportunity to speak to a lot of public groups. Because I come out of the intelligence community, I will tell you up front, you ask any question that you want to ask about anything going on.

Some of the folks in the audience I have worked for in the past, and some of you know me. I'm somewhat limited by my intellect at times. But I've been an intelligence officer my whole career. I sometimes am unable to keep straight in my head what I know that is classified and what I know that is unclassified very honestly. You ask whatever question you want to and it's my responsibility to figure out how to walk that line and I will take on any question you have.

MR. LOUIE SAENZ: Ladies and gentlemen, does anyone have any questions that they would like to pass forward to us? We have time for about three questions.

Q: General, it probably would be useful to give us an assessment of where we are in I guess the evolution of the allocation – (inaudible) – intelligence agencies – (inaudible). I did a lot of the – (inaudible).

LTG BURGESS: Yes, sir. As some of you may or may not know, under the previous look, when the Intelligence Reform Terrorism Act was passed in 2004, up until that time since the National Security Act of 1947, the director of Central Intelligence had for all intents and purposes been the head of the intelligence community. That person also had another day job, as I call it, being the director of the Central Intelligence Agency. What the act did was split that out forming the director of national intelligence over top of the fifteen different organizations that make up the intelligence community. Those organizations run the gambit of things like the Central Intelligence Agency, the Defense Intelligence Agency, the National Security Agency, on down through the intelligence pieces that form, also those entities that work inside the services. There were fifteen, and as I mentioned, we added the sixteenth, the Drug Enforcement Agency just here two months ago.

Director Negroponte has made it one of his primary three goals as laid out by the Congress to us to build a sense of community. We are working toward that end. He currently sits as the principal intelligence adviser to the president of the United States, though we were asked and do not get into operational matters. In other words, we don't tell the members of the IC – or the intelligence community – how to do their day-to-day job or don't even need to know what is going on inside a particular operation. It is the DNI's responsibility to bring what they bring to the table in terms of collection or analysis to ensure that it is synchronized and integrated so that we present to the senior leadership of our country both on the executive side and on the legislative side an analytical call on what all of that information means while at the same time, which the legislation required, ensuring that alternative views or competing views of intelligence analysis are presented at the same time to the senior policy and decision makers so that they understand what is being given to them. And as I said, he's laid that out as a priority. We continue to work on that to inculcate change – and I'm preaching to the choir here, as I know some of you and some of the organizations you work in – to inculcate change within organizations means you have to work, as I said, with the people. And that moves along at a given pace. And some organizations are moving faster than others and that's the nature of the way organizational change transpires for those that

have studied that. But we have taken it on, and so far actually appears to be working well.

Two comments that I would make just to give as an example. Most recently, we have had two very major events occur. One had to do with the launching of the missile out of North Korea, which got some excitement going in terms of the TD2 or Taepodong-II. That event occurred. The intelligence community came together very well to do that, presented a point-of-view to the senior leadership, accurately predicted what was going to occur in that, and everybody started going, gee, we did really well. Well, I stand before you as the military guy. I know that there is a couple in the audience that trained me. But I said, well, that's good. We did okay on that, but we didn't do it well. So now we have instituted the first AAR process at the national level, that's an after-action review, because we didn't do everything right. The good news is, at the end, it came out right. But because we're an organization like that, we have some things we could learn from that and so we had a very insightful discussion with ourselves across the community on the way we ought to do it better for our nation.

The second one would be this most recent threat strength. As most of you saw from some of the people that went out on the talk shows on Sunday, it is actually a good example of how the community came together working internationally and within the community to present a picture of what was out there and what was presenting itself to us. But as we pointed out, the intelligence community is not taking any plaudits for that because the threat stream is not over. And as I use an analogy with people where I'm back home in Alabama – I use a sports analogy quite a bit – playing sports growing up, if I could bat .300 in baseball, I was doing pretty good. If I could hit 50 percent of my jump shots when I was playing basketball, I was doing pretty well. Quarterback is hitting over 50 percent of his passes is probably going to play, even at UTEP. Bu the fact is, in the business we're involved in, I can't afford to mess up one time. I need to bat 1.000 because it's important to our nation and so it's important to us that what we're talking about here today that we get it right, because I can't afford to bat .300 when we're talking national security.

MR. SAENZ: I do have a couple of questions, General. If you could implement one or two specific policy measures that would have the greatest impact on border security, what would they be?

LTG BURGESS: Well, I don't do much on the implementation of policy side, but I think what I would primarily talk about – we have an office that the Congress and the executive branch stood up called the program manager for the information sharing environment that is out there. Ambassador McNamara is leading that effort. And it is his responsibility to build the pipe; not to think about what information goes on that pipe necessarily, but to build the pipe from the federal level through that level down to what the Intelligence Reform Act added to us, which quite honestly had never – that's unfair to say never – had not been considered as well as it should have in the past in terms of state, local, and tribal out there. And to build that height so that from top to bottom there is a way that the intelligence community has a way to put its information and to ensure that

we can therefore then cross-fertilize each other. But it is a dynamic problem set. I've seen it before as a military person at the acting PDDNI. In my other jobs as a customer outcome, I made it a point. I wanted to understand the job we had been given as an example to paint it for you. So I went to the department of Interior. I said, okay, I want to understand my customer base. I understand that I've got 50 states out there. I took geography in college. I'm pretty smart.

I said municipalities, what are we dealing with? Well, VHS says that there's about 17,000 to 19,000 municipalities that we need to be spreading information to. I asked some of the folks in my office because I just had an idea. I said, how many tribes are there in the United States? Well, it turns out by Department of Interior there are 519 recognized Indian tribes in the United States, a lot of which are situated along the border region that we're talking about. In some cases, a separate entity unto themselves – we have to figure out how to ensure that all of those are dealt with in this information-sharing environment. So that would be the one that I would probably most focus on.

MR. SAENZ: Next question. How does the national intelligence functioning function different from the central intelligence administration functions?

LTG BURGESS: The Central Intelligence Agency is the way I would put that. The Central Intelligence Agency for the most part is now – a couple of things that is has. It has inside of the Central Intelligence Agency the human capability of the United States of American and also an analytical capability that it brings to the table on that. It is one of the three all source – as we call it – intelligence analysis centers of excellence that we have inside the intelligence community. The three centers of excellence for all source – and that's key in the business we're talking about – are the Defense Intelligence Agency, the Central Intelligence Agency, and the Bureau of the INR out of the State Department – the intelligence agency that they have. It's not really an agency; it's a bureau that works within that. All the others are single source intelligence pieces. But what the Central Intelligence Agency brings is a center of excellence in that analytical piece, and it is also the head of the National Clandestine Services or the National Human Intelligence, another way to put it is spy for people. You know, when you use a human as an intelligence collector.

Those are their two primary jewels that they bring to the table. From a DNI perspective, while remaining not operational is to ensure that they have the policy in place, the procedures in place, the budget in place to meet the requirements that our senior leadership has placed on the intelligence community that the human side of the House can answer and provide access to it.

MR. SAENZ: And this is our final question. And if we did not answer your question this morning, we apologize, but we do have to move on. Why is securing the border more important in Mexico, and not Canada? Are not both borders just as vulnerable?

LTG BURGESS: In my mind, yes, they are. I used to give a discussion when I was at U.S. Southern Command, and I have not detracted. I used to refer to it as my beams of light discussion. The concern that I have along any border, and I think actually a very good lay-down was given by the congressman as he talked about the borders that we have, the coastlines that we have. It's a combination of all of those, but as I make the point, if you go back and look – and I've forgotten the numbers now; it's part of getting old – but if you go back and look at the amount of cocaine that gets into the United States, since 1992 up until about 2004, which was the last time I was involved – that number was constant. Irrespective of what our nation did, it generally maintained its constancy about what got into the United States.

Illegal immigration or folks coming across – what's going on there in terms of that. The other illicit activities that go on – what my point always was, was if you can get that a border or along the coastline of the United States, even with all the things we've done in our nation since 2001, it would be possible to get in a weapon of mass destruction – a weapon of mass destruction to do some damage is not that big a thing. And I would put a picture up as an example. A weapon of mass destruction that would do significant damage is about half the size of the podium but I'm standing there. And maybe even a little less. And I would always put up a picture on my slide because, you know, you always want to make your point the hardest way you can. And I would put up one of the super-container ships that is going up and down the coast of the United States and also through the Panama Canal, and I'd put that up there and say, so look at all those CONEX containers that are on that ship. And somebody put a WMD the size of the podium that I'm talking about – what are the possibilities that can get into our country? I'm not sure I know what the number is but it's a concern. So in terms of - it's a totality, whether it be the Canadian border, the Southwest Border region, or our coastlines, we have to be ever vigilant and figure out how we are going to provide the security that our nation deserves while at the same time providing the protection of the civil liberties that our constitution affords to our citizens.

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REP. REYES: Let's give the general a big round of applause.

(Applause.)

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